



# Iowa General Assembly

## 2006 Committee Briefings

Legislative Services Agency – Legal Services Division

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### TEACHER PAY-FOR-PERFORMANCE COMMISSION

**Meeting Dates:** [August 23, 2006](#) | [July 24, 2006](#)

**Purpose.** *This compilation of briefings on legislative interim committee meetings and other meetings and topics of interest to the Iowa General Assembly, written by the Legal Services Division staff of the nonpartisan Legislative Services Agency, describes committee activities or topics. The briefings were originally distributed in the Iowa Legislative Interim Calendar and Briefing. Official minutes, reports, and other detailed information concerning the committee or topic addressed by a briefing can be obtained from the committee's Internet page listed above, from the Iowa General Assembly's Internet page at <http://www.legis.state.ia.us>, or from the agency connected with the meeting or topic described.*

### TEACHER PAY-FOR-PERFORMANCE COMMISSION

August 23, 2006

**Background.** The General Assembly and Governor Tom Vilsack tasked the Pay-for-Performance Commission, as provided in 2006 Iowa Acts, H.F. 2792, and Executive Order Number 48, with proposing a design for a pay-for-performance program and conducting a study to measure the cost and effectiveness of raising student achievement using a compensation system that provides financial incentives based on student performance. At its first meeting, held on July 24, 2006, the Commission unanimously approved a Chapter 28E agreement between the Commission, the Iowa Department of Management, and ITW. Under the agreement, ITW is responsible for the study and, based on the results of the study, for designing a pay-for-performance program based on student achievement gains and global content standards where student achievement gains cannot be easily measured. The program is to use both individual and group incentive components. The Commission will oversee the work of ITW. The Commission must submit an interim report to the Department of Education and the chairpersons and ranking members of the Senate and House Standing Committees on Education by January 15, 2007, and initiate 10 pay-for-performance program demonstration projects in the following school year.

**Commission Budget.** Commission members reviewed the tentative budget for the nine committee meetings planned for 2006-2007, which includes \$10,000 for Commission expenses, \$15,000 to contract with an individual to manage the development and implementation of the request for proposal process and independent external review of submitted applications, and \$35,000 to contract with an individual to develop a process for independent external evaluation of the pilot projects including evaluation criteria. Commission members speculated that the total amount designated for each contract may be adjusted as necessary within the \$50,000 total amount reserved for the contracts.

**Meeting Date Change.** Commission members agreed to cancel the December 18, 2006, meeting date and to schedule a meeting on Thursday, January 4, 2007.

**Department of Education Presentation.** Commission member and Executive Director of the Department of Education, Ms. Judy Jeffrey, reviewed the data being collected by the department. She provided members with copies of a Powerpoint presentation she utilized during ITW's meeting held the previous day. The presentation reviewed Iowa's content, performance, and achievement standards and proficiencies for students; teaching standards and professional development requirements; assessments, accountability, and reporting requirements; teacher evaluation and compensation; provided an overview of school enrollment patterns, trends, and projections, student opportunity and test scores by school size; and described the components of the Student Achievement and Teacher Quality Program.

**Learning Point Associates (LPA) Presentation.** Ms. Susan Sexton, Project Coordinator for LPA, noted that LPA intends to establish an advisory committee for plan development, identify innovative ideas from other states, collect research-based models with proven positive outcomes, and conduct focus groups, town hall meetings, and polling. She stated that LPA is concerned with sustainability and will work to achieve acceptance by all education stakeholders. She reviewed the meeting timeline and promised to meet monthly with ITW and the Commission. Dr. Sabrina Laine, Director of the National Comprehensive Center for Teacher Quality at Learning Point Associates, appeared telephonically. Dr. Laine assured members that LPA would establish what research supports when the recommendations are made. Although LPA is not expected to provide an implementation plan, it will be under contract with ITW to provide assistance to the Commission

until June.

**Commission Discussion.** The Commission discussed the need for an external evaluation of pilot grants, whether the individual chosen to evaluate the grants should be from outside of the state and without any agenda for any particular model, and the need to establish the pilot project parameters prior to issuing the interim report in January 2007. Commission members observed that the General Assembly cannot agree on a definition for "pay-for-performance," and thus perhaps the Commission should establish the limits and a definition for such a system. Commission members agreed that though inefficiencies exist they are nominal and the savings realized from the elimination all of the inefficiencies in Iowa's school system will not pay for a pay-for-performance system.

Discussion included whether LPA should provide outreach to the public involved in the focus groups, town halls, and polling to ensure that the public understands Iowa's current system and its linkage to the No Child Left Behind (NCLB) Act, because much of what is in place or required by NCLB cannot be easily changed if it can be changed at all. It was suggested that public input should be targeted to learner outcomes, and once those outcomes are determined a model that supports the achievement of those outcomes could be developed. It was suggested that the Commission request that LPA describe the components and costs of a pay-for-performance program based on the number of people participating and how likely the program is to change performance, as well as a schedule for sustainability. The Commission discussed the legislative requirement that 50 percent of pay-for-performance incentive moneys be used for individuals and 50 percent for teams while research indicates that team-based pay-for-performance incentives achieve better results. Legislative and Policy Liaison for the Department of Education, Mr. Jeff Berger, who provided staffing for the meeting, told members to expect a draft copy of the request for proposals for the evaluation of the pilot grants for their consideration prior to the initial meeting.

**Next Meeting.** The next meeting will take place on Wednesday, September 20, 2006, and is tentatively scheduled to begin at 10 a.m. at the Department of Education in the Grimes Building in Des Moines.

*LSA Monitor:* Kathy Hanlon, Legal Services, (515) 281-3847

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## TEACHER PAY-FOR-PERFORMANCE COMMISSION

July 24, 2006

**Background.** The General Assembly passed House File 2792 on May 3, 2006. The Act established a Pay-for-Performance Program and allocated to the Department of Management \$1 million for FY 2006-2007, \$2.5 million for FY 2007-2008, and \$5 million for FY 2008-2009 for the program from moneys appropriated for the Student Achievement and Teacher Quality Program. The Act established a Pay-for-Performance Commission as a part of the executive branch and set forth the membership and duties of the Commission. Of the amount allocated for FY 2006-2007, the Act distributes \$150,000 to the Institute for Tomorrow's Workforce (ITW), created pursuant to Code Section 7K.1, for its activities. While the Governor approved much of the language of H.F. 2792 regarding the program, on June 1, 2006, the Governor item vetoed portions of Section 27, subsections 1, 4, and 5 of the Act, which related to membership on the Commission, staffing for the Commission, the system for measuring student achievement to be developed by the commission, and a prohibition against individual salary adjustments for teachers who do not demonstrate a satisfactory level of performance under the program, and to directions to Department of Education (DOE) to create a teacher remediation program. The item veto message stated that the language was not part of an agreed upon negotiation and is too prescriptive.

Also on June 1, 2006, the Governor issued Executive Order Number 48, directing ITW to propose a design for a pay-for-performance program and conduct a study of the design as provided in H.F. 2792, Section 27. The order requires that the study measure the cost and effectiveness in raising student achievement of a compensation system that provides financial incentives based on student performance. The order apparently selects the institute to perform the statutory duties of the Commission, to propose the design for a pay-for-performance program and to conduct the study, by stating the following: the General Assembly created the institute in the previous year to provide a long-term forum for bold, innovative recommendations to improve Iowa's education system to meet the workforce needs of Iowa's new economy; the institute is tasked with reviewing the state's education accountability measures and identifying effective education structure and delivery models that promote optimum student achievement; the institute has recommended that Iowa increase teacher salaries and complete the state's commitment to a bold new professional teacher performance and compensation model that rewards educators for their own knowledge, skills, and practices that prepare students for the 21st century; and that the institute's membership is broad-based and reflects the awareness that meaningful and lasting educational change requires sustained support and collaboration from leaders in business, industry, government, and education.

**Commission Membership.** The Governor appointed the following individuals to the commission: former University of Northern Iowa President Dr. Robert Koob, Iowa State Education Association Executive Director Jan Reinicke, Department of Education Executive Director Judy Jeffrey, Jefferson-Scranton Community School District Superintendent Michael Haluska, and retired Clarke Community School District Superintendent Mr. Steve Waterman.

**Organizational Business.** During this, the Commission's initial meeting, the Commission unanimously approved as co-chairpersons Mr. Waterman and Ms. Reinicke. DOE will provide staffing for the Commission. Mr. Gary Dickey, Jr., General Counsel, Governor's Office, provided a review of H.F. 2792 and Executive Order No. 48 and outlined a proposed

28E agreement between the Commission, the Iowa Department of Management, and ITW. The agreement provides that each party shall be considered a governmental body subject to the provisions of Iowa Code Chapters 21 (Open Meetings) and 22 (Open Records). Commission members unanimously approved the agreement and stated that it will be a responsibility of the Commission to meet monthly and to provide input to ITW. The agreement provides for four payments of \$197,500 (for a total of \$790,000 by December 15, 2006) to ITW for studying and designing the teacher compensation/pay-for-performance program. It was noted during the meeting that H.F. 2792 separately directs ITW to continue its work on a new educational delivery system plan. The Commission set dates for 10 meetings through May 17, 2007. Co-chairperson Waterman asked that DOE provide an outline of the \$60,000 budgeted for the Commission's administrative costs.

*LSA Monitor:* Kathy Hanlon, Legal Services, (515) 281-3847